

CITY OF BRAWLEY
January 10, 2012

The City Council and Community Redevelopment Agency of the City of Brawley, California met in a Workshop Meeting at 6:00 PM, Brawley Public Library Del Rio Branch and Community Center, 1501 I Street, Brawley, California, the date, time and place duly established for the holding of said meeting. The City Clerk attests to the posting of the agenda pursuant to G.C. §54954.2.

The meeting was called to order by *Mayor Nava* @ 6:04 PM

The invocation was offered by *CM Kelley*

The pledge of allegiance to our flag was led by *Mayor Nava*

PRESENT: Campbell, Couchman, Kelley, Miranda, Nava
ABSENT: None

APPROVAL OF AGENDA

A motion was made by *CM Couchman* and seconded by *CM Kelley* to approve agenda as submitted motion carried 5-0.

AYES: Campbell, Couchman, Kelley, Miranda, Nava
NAYES: None
ABSTAIN: None
ABSENT: None

1. PUBLIC APPEARANCES/COMMENTS There was none to report.

2. REGULAR BUSINESS

a. Review and Discussion of City of Brawley's Retirement Benefit Program.

Staff Report – Rosanna Bayon Moore, City Manager

Review & PowerPoint presentation of City of Brawley's Retirement Benefit Program

Questions for Small Group Discussion, facilitated by Brawley City Council Members:

- 1) What alternatives do you propose for making the CALPERS defined benefit program financially sustainable?
- 2) How would you like to see changes to the retirement plan implemented?
- 3) In light of the General Fund operational deficit and shrinking revenue sources, such as the Redevelopment Agency, when would you recommend implementing changes to employee contributions?

Small Group No. 1, Facilitated by Mayor Nava/Notetaking by Yazmin Arellano, Public Works Director and Francisco Soto, Building Official

- Phasing in employee contributions
- New Employees-Full contribution from day one
- Social Security opt out savings to go into CalPers employee contribution
- Sick Leave buy back and Holiday Bank elimination-savings to go into employee contributions
- Eliminating any extra benefits –to apply those savings into employee contribution
- Equal impact on employee contribution; Example: $7\%/22.5\%=31\%$ impact; $9\%/45.12\%=20\%$ impact; 4% employee contribution to equal 20% impact.
- Assign furlough day instead of 7% employee contribution-CalPers (furloughs=5% cut) explore/see dynamic. If economy gets better, furlough disappears.
- When do you recommend implementation?
 - 1) Implementation at same time for all employees' "Equal Implementation"
 - 2) Note: prior to implementation, utilize actual number, including all projected savings (track numbers); example: department could be at 50% of expenses at 75% of the fiscal year.

Small Group No. 2, Facilitated by CM Kelley/Notetaking by Karin Morgan, Parks & Recreation Director and Chuck Peraza, Interim Fire Chief

Focus on Revenue Phase-In

- Time/Plan/Implement
- Review Budget for additional cuts further/future if (find savings, PERS stays intact)
- 3% phase in
- Timed union negotiations-same for all groups
- Review insurance-reduce cost to employees
- Two tier system
- Change percent; 2% at 50 to 2% at 60 for Public Safety
- Furloughs
- Prison Crew-cut
- Pay incentive/pre-taxed contribution
- Social Security
- Holiday pay

Implementation

- Timed together
- 3% phase-in
- Pay incentive/pre-taxed contribution
- Take the time and come up with a plan for the long term
- Two tier as part of the plan to reduce further impacts

- When
 - 1) Teamsters & Un-Represented negotiate first year and implement 2nd year
 - 2) Public Safety-Police & Fire negotiate 2nd year-implement together
- We are in a perfect storm – we must collectively solve it!

Small Group No. 3, Facilitated by CM Campbell/Notetaking by Mark Gillmore, Police Chief and Marjo Mello, Librarian

Question #1

- Zero out Council salary and benefits approximately \$116,552 in savings; budget for volunteers, not Council Members with stipends
- LAMBS-grant funds= \$220,770
- Zero Out Non-departmental=\$131,154
- Verify dollars spent vs. budgeted for part time employees (possible dollars)
- RDA contributions (prison crew elimination, film commission, etc...)= \$167,000
- Eliminate 2nd prison crew = \$100,000 and employee overtime to assist=?
- Two tier retirement system new hires=new benefit level
- Freeze 2 sworn positions at Police Department=\$200,000 (saved out of budget)

Question #2

- Reduce line items
 - 1) Allocations in budget prior to employees paying contributions-No changes
 - 2) Possible consideration of one furlough day for employees
 - 3) Eliminate Social Security-10.4% (6.2% City and 4.2% Employee)
employer/employee salary contribution now made by each

Question #3

- Make all possible budget cuts prior to taking any money from employees
- Early retirement incentives for positions that can be eliminated or frozen for a period of time

Small Group No. 4, Facilitated by CM Couchman/Notetaking by Alma Benavides, City Clerk and Ruby Walla, Finance Director

- How did we arrive at 7%?
- Are furlough days an option?
- If we want to save \$, why go back to regular work days open Monday-Friday
- Can we phase the 7% over 7 years
- Let's look at insurance options
- New employee starts at 1.5% or 7% for retirement and gradually goes up

- Prison Crew elimination
- Get rid of special pay (Move-Up)
- Why has Police Department had so many hires in the last years?

Small Group No. 5, Facilitated by CM Miranda/Notetaking by Shirley Bonillas, Personnel & Risk Management Administrator and Gordon Gaste, Planning Director

- Tier system-new employee pay, same system-new employee pays portion
- Discontinue sick leave buy-back program
- Prioritize operational expenses:
 - 1) Cut \$ donations
 - 2) Prison crews discontinued
 - 3) Auto allowance
 - 4) Cell phone stipend
- New Revenue Sources/encourage new homes/businesses (fee for services)
- Furloughs-one day per month vs. layoff
- Gradually-1% per year-spread out as long as we can
- Last resort-layoffs
- Alternate medical options

b. Update on Brawley Community Redevelopment Agency

CM Bayon Moore briefed City Council on upcoming issues regarding the CRA. She mentioned Senator Padilla is asking for letters of support to extend the dissolution until sometime in April.

5. MAYOR AND COUNCIL MEMBERS REPORTS

Campbell: Nothing to report.

Couchman: Nothing to report.

Kelley: Nothing to report.

Miranda: Nothing to report.

Nava: Nothing to report.

6. CITY MANGER/CITY ATTORNEY/CITY CLERK REPORTS

Bayon Moore: Nothing to report.

Morita: Nothing to report.

Benavides: Nothing to report.

ADJOURNMENT @ 8:05 PM

Alma Benavides, City Clerk